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The Time is Now for Health Care Reform

Summary: April 1993 *Public Opinion Monitor* Survey

Public Opinion Research Institute
Public Sector Consultants, Inc.

INTRODUCTION

Michigan residents support reforming the health care system. The April 1993 *Public Opinion Monitor* (POM) poll of Michigan residents found that since the November 1992 poll, health care reform has moved from third place as the most significant problem seen to face the federal government to second place (20 percent of respondents identify it as most significant). The number one problem in both the November and April polls was reducing the federal deficit (identified as most significant by 32 percent and 28 percent, respectively).

The public's support for health care reform also was evident in the finding that 82 percent of the respondents believe that the health care system should be fundamentally changed (44 percent) or completely rebuilt (38 percent). A much smaller percentage (13) say they favor only minor changes in the health care system. Support (by 38 percent of state residents polled) for completely rebuilding the health care system appears less strong in Michigan than in the nation—a March 1993 national poll found that 55 percent favor rebuilding the system.

Michigan citizens appear willing to make substantial compromises in order to achieve universal health care coverage. Such sacrifices include accepting higher taxes on beer, higher taxes on cigarettes, and a hike in the state sales tax (deemed acceptable by 84 percent, 71 percent, and 75 percent of survey respondents, respectively). There is substantially less support (47 percent) for passing a 3 percent national sales tax. An identical number (47 percent) find a national sales tax unacceptable.

Health care is viewed as a federal rather than a state issue, and the public's support of health care reform comes at a crucial time. President Bill Clinton's health care reform task force will be releasing its recommendations soon, and according to the *Monitor* survey, Michigan residents appear receptive to the idea of change.

While the public supports health care reform at the federal level, there is little consensus about what changes should be made and how much the public is willing to pay. Thirty-five percent of POM respondents believe the top priority of Congress should be to provide more people with health care coverage. However, a substantial percentage of people (28 percent) want the first priority of Congress to be ensuring greater efficiency in how health care is provided, and 16 percent believe limiting increases in health care costs should have top priority.

At the state level 24 percent of the public said the top priority for the state legislature should be stimulating economic growth. Four issues were in a statistical "dead heat" (given the small margin of error) for second priority: school finance reform (given top status by 17 percent), health care (16 percent), reducing the influence of lobbyists (13 percent), and reducing property taxes (15 percent).

THE SURVEY

The *Public Opinion Monitor* survey of 800 Michigan residents was conducted April 24–26. Among its purposes were to

- evaluate the degree of support for health care reform and
- measure the political climate of Michigan.

Survey respondents were selected randomly from throughout Michigan. The sample was stratified according to sex and region. The margin of error is plus or minus 3.7 percent. The demographic profile of the sample closely parallels the 1990 census data, giving confidence that the sample fairly reflects the opinion of all state residents.

HEALTH CARE REFORM

The Public Wants Change

The American political system is more likely to enact meaningful legislation when the public believes a "crisis" exists. This currently is clearly the case with health care reform. The *Public Opinion Monitor* survey found that of the 81 percent of respondents who agree with a statement that the way we finance our health care system has reached a crisis, a majority (57 percent) *strongly* agree.

The Michigan public is similar to the nation in believing that fundamental changes are needed in the health care system. The POM survey asked a question similar to one posed by Princeton Research Associates in a March 1993 national survey. Comparing results shows that Michigan residents reflect national sentiment in wanting to restructure the U.S. health care system. (See Table 1.)

The Michigan public views health care reform primarily as a federal issue; 50 percent of respondents support the reform effort being led by the federal government. There is, however, considerable support for state involvement as well: 23 percent support reform being led by state government. Eighteen percent believe it should be addressed at both levels.

In June the President's task force is expected to release a number of recommendations to change the present system. The POM survey asked respondents what they feel should be the major goal of health care reform. The response was clear: Most Michigan residents can be considered to

Table 1: Comparison of National and State Survey Responses

Do you think the health care system in this country works pretty well and requires only minor changes, do you think it needs fundamental changes, or do you think it needs to be completely rebuilt?

	National Survey	State Survey
Minor changes	15%	14%
Fundamental change	26	43
Completely rebuilt	55	38

view health care reform as an access and affordability issue, not a quality of care issue. Respondents identify the cost of health care as their major concern, followed by accessibility and then quality of health care services. (See Table 2.)

Table 2: What Is the Most Important Health Care Issue?

Cost of health care	51%
Number of people not insured	36
Quality of health care	5

Michigan citizens are concerned about the need to expand the availability of health insurance. When asked to identify what the top priority of Congress should be when addressing health care, 35 percent said that providing more people with health insurance is their first concern. In second and third places are ensuring greater efficiency (28 percent) and limiting future cost increases (16 percent), respectively. The issue of improving the quality of health care trails at 9 percent.

Concern about Health Care Insurance Coverage

Seventy-nine percent expressed concern about whether in the future they will have adequate health insurance coverage. (See Table 3.) We interpret these data to mean that a significant number of people are concerned about the future accessibility of health care.

The issue of health care reform is no longer of concern just to lower-income individuals; it also has become a middle- to upper-middle class issue, and the future availability of health care insurance is important to individuals at all income levels. Access to health insurance in the future is as significant to conservatives as to liberals, and to Democrats as well as to Republicans.

Table 3: Level of Concern about Future Adequacy of Health Insurance Coverage

	Very	Somewhat	Not Very
Detroit	60%	24%	15%
Metro Detroit	44	34	21
Southeast Michigan	52	30	18
Thumb	43	35	20
Western Michigan	44	33	22
Central Michigan	37	37	20
Northern Michigan	65	17	17
Democrats	55	30	14
Republicans	37	34	27
Ticket splitters	50	25	22

What Sacrifices Will the Public Make?

The public appears willing to make some sacrifices in order to pay for health care reform. The survey found 56 percent agreeing with the statement that "some kind of tax increase will be needed." The most acceptable would be increases on beer, cigarettes, and the state sales tax. The public does not support creating a national sales tax of 3 percent, which is being considered at the federal level.

The debate over tax increases for health care will be spirited, as 75 percent of the respondents support the statement that "health care spending could be reduced without hurting the quality of health care." It appears that the public is willing to support tax increases if it is convinced that adequate efficiency exists in providing health services.

If changing the health care system requires sacrifices, what will the public accept? The POM survey posed a question similar to one asked in the NBC News/*Wall Street Journal* national poll of March 1993. (See Table 4.)

The Michigan public appears to be evenly divided on the acceptability of a national sales tax of 3 percent. As might be expected, more Democrats (58 percent) than Republicans (39 percent) support such a proposal, and liberals are more supportive than conservatives. Among geographical groups, Detroiters are most supportive.

The *Public Opinion Monitor* found the public willing to make substantial sacrifices to reform the health care system: Increased taxes on beer and cigarettes and a small increase in the state sales tax are acceptable. Furthermore, there is widespread support to limit what doctors and hospitals may charge patients. It appears, however, that the public may not be willing to make the kind of sacrifices called for by the Clinton administration. For example, efforts to limit the choice of hospitals or the use of high-technology equipment were viewed as unacceptable.

Table 4: Acceptability of Compromises Needed to Guarantee Reasonably Priced Health Care Coverage

	Acceptable		Unacceptable	
	Michigan	USA	Michigan	USA
10 cent per bottle tax increase on beer	84%	87%	15%	12%
Government limits on doctor and hospital charges	83	87	14	12
2 dollar per pack tax increase on cigarettes	71	70	26	28
3 percent national sales tax ^a	47		47	
Limits on patient's right to choose hospital ^a	30		69	
Limits on availability of high-tech equipment ^a	38		56	
One percent increase in state sales tax ^a	75		22	

^aQuestion was not asked in the national survey.

Much controversy centers on whether consumers will be willing to accept cost-saving restrictions such as limiting their choice of physicians through the use of health maintenance organizations (HMOs). Our survey suggests that this may not be an insurmountable obstacle. Forty-seven percent said they would be willing to join an HMO if it were less expensive than seeing their own doctor. Fewer (40 percent) said they prefer to stay with their physician.

Standard Health Care Package

Central to President Clinton's wishes for health care reform is a guarantee of a standard health care benefit package for every citizen. The POM asked respondents about specific services and whether the services should be included in the basic package or paid for by the individual or his/her employer. (See Table 5.)

The public appears willing to pay for a visit to the doctor but believes all hospital costs should be part of the basic package. Survey respondents also are very supportive of immunizations and health screenings being part of a basic package.

Table 5: Percentage of Respondents Saying Service Should be Part of a Basic Health Care Package

Doctor's office visits without any payment by the patient	39%
Doctor's office visits with a small payment by the patient	63
Mental health counseling	59
All hospital costs	70
Vision services	55
Substance abuse services	50
Chiropractic care	27
Immunization	87
Health screening	72

The ability of the public to differentiate among health services should be encouraging to health reformers. It may be possible for the Clinton administration to craft a package of basic health services that a majority of citizens will support.

MAJOR STATE ISSUES

The April survey is the seventh in the series of *Public Opinion Monitor* polls. In all, the state issue most on the minds of the public has been the need to reduce unemployment and improve job opportunities. The recent survey asked an open-ended question about what the public views as the most important state issue. Table 6 compares these results with those from a similar question last November.

The major change since November 1992 is the decrease in the percentage of people identifying crime and drug use as the major state issue and the increase in those mentioning education reform and financing as the major issue. This could be due to the current debate about school finance reform, property tax relief, and Proposal A.

When asked about legislative priorities, respondents were given a number of options. Support for the various priorities is evenly distributed. However, when the responses to school finance reform and property tax reduction are combined, a clear plurality (32%) emerges. (See Table 7.)

Last November the POM found 35 percent of the public supporting school finance reform as the top legislative priority. The legislature and governor have responded to this interest with Proposal A. Whether the voters accept or reject Proposal A remains to be seen, but it does appear that legislators and the governor were listening to the public.

Table 6: What Is the Most Important Problem Facing Michigan Today?

	April 1993	November 1992
Jobs and the economy	30%	42%
High taxes/state budget	18	6
Education/education funding	15	9
Property tax relief	7	6
Health care reform	7	7
Reducing crime	6	15
Helping the needy	5	3
Protecting the environment	2	5

Table 7: What Should be the Legislature's Top Priority?

Stimulating economic growth	23%
Changing the way schools are financed	17
Health care reform	16
Reducing property taxes	15
Balancing the state budget	9
Reducing influence of special interests	15

GOVERNOR'S APPROVAL RATINGS

Governor John Engler's approval rating is up slightly (from 47 percent to 50 percent) from the level of last November. (See Table 8.) His ratings have remained amazingly consistent during his tenure in office. The public apparently has made up its mind about the governor and is sticking with it—given the small margin of error in this survey, it can be said that there has been almost no change in the public's overall perception of the governor over the past two years.

Overall approval of the governor is highest among conservatives (62 percent), Republicans (68 percent), and residents of central Michigan, his home area (73 percent); it is lowest among African-Americans (20 percent), liberals (23 percent), Detroiters (23 percent), and Democrats (29 percent).

In addition to testing the public's overall approval/disapproval of the governor, the POM also gauges opinion about his performance in specific areas of responsibility. These ratings also are consistent: the responses in the 1993 survey are very close to his ratings in 1991. (See Table 9.)

There has been a very small slippage in the governor's rating in "keeping his campaign promises" (from 36 percent to 30 percent excellent or good). This, coupled with the response in a new category of "reducing taxes on the middle class," should signal the governor to emphasize the tax reduction aspects of Proposal A and also to intensify his efforts to push for

Table 8: Approval/Disapproval of the Way Governor Engler Is Doing His Job

	April 1991	June 1991	Oct 1991	Mar 1992	July 1992	Nov 1992	Apr 1993
Approve	41%	49%	44%	51%	54%	47%	50%
Strongly approve	17	16	16	20	19	17	13
Somewhat approve	24	33	28	31	35	30	37
Disapprove	38	46	47	40	39	44	42
Somewhat disapprove	15	22	18	14	18	22	19
Strongly disapprove	23	24	29	26	21	22	23

Table 9: Rating of Governor Engler's Performance of Various Responsibilities

	Excellent or Good		Just Fair or Poor	
	1991	1993	1991	1993
Providing leadership on controversial issues	36%	35%	54%	57%
Caring about the needs of all people	26	32	67	63
Handling the state budget problem	34	31	57	61
Keeping campaign promises	36	30	60	55
Being concerned about Michigan's future	45	46	45	46
Reducing middle class taxes ^a		19		70
Working to improve school finances ^a		25		66

^aNot included in 1991 poll.

property tax relief if the proposal fails. On the plus side, there has been a 6 percent gain in the "caring about the needs of all people" category.

CONFIDENCE IN THE FUTURE IS SAGGING

Following the November 1992 election of Bill Clinton as president, the Michigan public believed the country had reversed itself (from June 1992) and was headed in the right direction; however, the recent *Public Opinion Monitor* found considerable slippage in this belief. (See Table 10.)

Table 10: Is the Country Heading in the Right Direction?

	Right Direction	Wrong Direction
June 1992	34%	66%
November 1992	57	43
April 1993	37	48
Republicans	25	64
Democrats	53	31
Ticket splitters	37	51

The percentage of respondents believing the country is heading in the *wrong* direction has not reached the 66 percent of June 1992, but the drop in the percentage (from 57 percent to 37 percent) believing the country is headed in the *right* direction appears to indicate concern about the Clinton presidency. (This concern has not created a negative rating of the president among Michiganians, however: 54 percent approve and 34 percent disapprove of the way he is handling his job. Among ticket splitters—people who say they vote nearly equally for both political parties—he gets 54 percent approval.)

The POM indicates that the public is concerned about its personal economic future. Only 27 percent of respondents think their financial situation will be better a year from now than it is today, and 24 percent feel it will be worse; 46 percent believe it will be the same. With 60 percent of the public feeling it will be in the same or worse financial circumstances in the future, it will be difficult for the president to sustain a wide base of support for his economic policies.

SUMMARY

It can be said that the Michigan public supports changing the health care system. It believes the system needs to be fundamentally changed. People are satisfied with the quality of the health care system but are concerned with future accessibility to health care insurance.

Support/opposition to a national sales tax of 3 percent is balanced, indicating it will be difficult for President Clinton to gain support for his health care proposal if it includes a national sales tax. Support is more likely if the funding proposal includes increases in cigarette or beer taxes. At the state level, the public finds acceptable an increase of one percent on the state sales tax.

Michigan residents continue to worry about unemployment and job availability. School finance reform and property tax relief also are seen as major priorities for the governor and the legislature.

The public is about evenly divided in its opinion of Governor Engler and the job he is doing; this perception has been virtually unchanged for the two years the POM has been gauging opinion.

Michigan residents now are much less likely than they were immediately following the November election to say the country is headed in the right direction. The post-election euphoria appears to have worn off, and many residents are worried about their economic future.

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